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#### **VDOT Blueprint**

#### 1. Why is VDOT restructuring the organization and downsizing its workforce?

VDOT is undergoing an organizational restructuring and realignment in response to a significant budget shortfall. We must address \$4.6 billion in reductions to available transportation funding since spring of 2008. The significant overall reductions in revenue require a long-term structural change in the way we manage our business.

#### 2. Who made the decisions about how the agency should restructure?

Commissioner Ekern established Blueprint teams led by agency executives to make recommendations for restructuring and streamlining our organization. These teams assessed the organizational structure and made recommendations for enhancing organizational efficiency and performance. Over the next several months, we will work to finalize the new organizational design, staffing structure and business processes.

#### 3. How is this going to impact my job?

Workforce changes will directly impact our people at all levels in VDOT and in all parts of the department. There is simply no way to make these needed changes without staffing reductions and rearrangements. Some employees will be directly affected as their positions are eliminated while other employees will experience changes as their workload is redefined and redistributed.

#### 4. When is this going to happen?

We plan to approach necessary layoffs in three stages to manage the impact on our business and to provide each employee affected ample notice, time to plan and time to understand all options available to him or her.

- Stage 1 was implemented in the Spring of 2009, and it focused on reducing hourly/wage, temporary services, and contract employees.
- Stage 2 began in the Summer of 2009, and it involved the reduction of approximately 640 classified positions in Central Office, materials labs, project development, construction management, and equipment shops. Stage 2 ended in October 2009.
- Stage 3 will focus on the following functional areas: Residency Consolidation, Maintenance and Operations, Central Office and District Business Support Consolidation, and Central Office Functions. This stage is expected to begin in January 2010.

#### 5. How will positions be eliminated?

VDOT developed a strategy to manage the organizational changes and sought exceptions and flexibilities in the application of the Department of Human Resource Management's Layoff

Policy, No. 1.30. Leaders will provide layoff notice to affected classified employees in each Stage of the Blueprint implementation, in the following manner:

#### **Initial Notice**

- Employees in the functional areas impacted will be notified once decisions are finalized and approved.
- Leaders will meet with affected employees to provide formal notification of the Agency's intent to eliminate their positions and answer questions and concerns about the layoff process.
- Affected employees will be provided information regarding the Layoff and Severance policies, employee benefit options, and outplacement/support services.

#### Placement within VDOT:

- The agency will solicit volunteers to substitute for employees affected by layoff, who wish to remain.
- For those affected employees who seek to remain with VDOT, a central placement team will
  evaluate valid vacancies and opportunities for substitution by other employees who wish to
  separate from the agency.
- Placements will be made on a seniority basis to positions in the same or other roles, in the same pay band or lower.
- Affected employees must be minimally qualified to be placed in another position in the agency.
- Affected employees who do not desire a placement within VDOT will be eligible for severance benefits
- Affected employees who wish to be placed but cannot, and those who decline placements that require relocation or reduction in salary, will be eligible for severance benefits.
- Potential substitutes who are not matched with an affected employee in one stage will be considered as a potential substitute in later stages.

#### Separations

All separations and position changes resulting from Stage 3 placements are anticipated to be effective in Spring 2010.

Classified employees who qualify for severance benefits will receive either severance benefits or enhanced retirement under DHRM Policy 1.57, Severance Benefits. Additional information will be provided to impacted employees in informational sessions scheduled for each location.

Additional details regarding layoff and substitution are available on the DHRM website: http://www.dhrm.state.va.us/hrpolicy/policy.html

and on the Blueprint for Our Future link on Inside VDOT: <a href="http://insidevdot/C6/Blueprint%20for%20Our%20Future/default.aspx">http://insidevdot/C6/Blueprint%20for%20Our%20Future/default.aspx</a>

# 6. Why doesn't VDOT eliminate contracts, such as the TAMS contract in order to protect VDOT jobs?

VDOT is looking at all options to balance workload, including internal staff and contracts. The agency is reducing staff and renegotiating contracts to develop the best business practices and an appropriate mix of internal and external resources to achieve our mission.

#### 7. What is VDOT's commitment to its employees?

VDOT is committed to the future of transportation in the commonwealth and is committed to our employees. The organizational changes and downsizing we will experience are difficult business decisions. We will communicate with our entire workforce regularly through meetings, publications, Web sites, letters, and other tools in order to provide employees with timely information regarding organizational restructuring. We will also communicate these changes with our external stakeholders.

We recognize this is difficult information to hear and understand the impact the changes at VDOT will have on employees and their families. We will provide as much information as possible so that everyone can be aware of the organizational plan. We will also work to notify employees of specific impacts so that individuals can make decisions that are in the best interest of themselves and their families.

#### 8. What will VDOT do to help employees affected by the Blueprint organizational changes?

VDOT will work with employees to identify as many options as possible. We will continue to provide resources and information to assist employees with making decisions regarding retirement, layoff, severance and other benefits, and job search.

# 9. What effect will this reorganization have on VDOT's ability to provide service to the public?

VDOT still has the same mission to provide a safe and efficient transportation system to the citizens of the Commonwealth. There will be changes in the way service is delivered to the public as we work to develop consistent service levels across the state and as we evaluate the services we can offer. We will target our investments from the center line out to provide the safest roadway system to our customers.

# 10. How does this type of action fit into the VDOT commitment to make the organization a workplace of choice?

We recognize this is difficult information to hear and appreciate the impact this communication may have on individual situations. VDOT must make critical decisions related to a significant shortfall in funding if we are to maintain a viable operation in the future. We will continue to

make employees aware of progress, and we are committed to working to identify training opportunities and alternatives that may represent opportunities for those affected.

### 11. What will our new organizational structure look like and when will we be made aware of it?

Teams are working now to define the organizational structure that will be required to support future business needs. Affected employees will be informed when decisions are finalized.

#### 12. What is the plan beyond 2010? Will there be another round of layoffs after next year?

The Blueprint is designed to position VDOT to meet the Commonwealth's transportation needs in the future, efficiently and effectively. We will need to be flexible, too, to respond to changes. Business needs will determine whether additional position reductions must occur beyond 2010.

#### **Layoff Notice**

# 13. How much time will be provided to employees from the initial notice of layoff to the effective date of layoff?

The agency is required to give employees a minimum of two weeks notice between the formal initial and final notices of layoff. The agency has developed a strategic plan to approach necessary layoffs in stages, designed to mitigate the impact on the business. This strategy includes a plan to informally advise affected employees several weeks in advance of planned changes. This will give individuals more time to make personal plans, and it will give the agency time to work with affected employees regarding options and benefits available. Please see *Quick Tips – Layoff Process*.

#### **Seniority**

#### 14. How is state service defined for purposes of determining seniority?

How *state service* is defined depends on the purpose for which it is being considered, and the rules that exist for that purpose. The rules for determining seniority for purposes of applying the Layoff Policy are different from how service is defined for purposes of calculating annual leave accrual/carryover/payout and retirement service credit. The calculation of those is discussed in more detail in the following.

#### 15. How does my seniority factor into the layoff process?

Seniority is one of many factors that determines who will receive layoff notice. Other factors include the type of work performed, work unit, geographic area, role, the type of position (i.e., whether wage or classified), the position's funding source, and whether the position is full-time or part-time.

Seniority also determines the order in which the agency offers placement options to affected employees.

### 16. What determines seniority?

Seniority, for Layoff Policy purposes, is based on the date an employee began the <u>last</u> <u>continuous</u> period of salaried Virginia state service. It is <u>not</u> the date the employee started in a particular job, agency, or location. Also, it is not necessarily the same period of time that the employee has credited in the Virginia Retirement System.

#### 17. How does a break in service/unemployment impact seniority?

An employee who had a period of salaried employment with the Commonwealth, broke service, and was later re-employed in a salaried Virginia state job, would have the last period of employment (beginning with the date of re-employment) counted toward his seniority.

Example A: Alex started his first salaried job with Virginia state government on February 1, 1993. He took a promotion at another Virginia state agency in 1997; then, he transferred to VDOT in 2002. Since the time he started with VDOT, Alex transferred to a different position in 2004. Alex has had unbroken salaried Virginia state service since his original salaried hire in 1993. Alex's seniority is based on his state begin date of February 1, 1993.

Example B: Betty started her first salaried job with Virginia state government on February 1, 1993, the same date Alex did. Betty, however, left state government in 2004 to take a job in private industry. Betty returned to salaried state service on May 10, 2008, and has worked without a break in service since then. Betty's seniority is based on her rehire date of May 10, 2008.

### 18. Where should employees go to find out how many years of state service they have that will be used to calculate severance?

Employees who have specific questions regarding the agency's records of their state service should contact their local Human Resources Office.

# 19. How does an employee's past Leave Without Pay-Layoff (LWOP-Layoff) impact her seniority? What if an employee was laid off by another Virginia agency in the past but was rehired prior to the end of the first 12 month LWOP-Layoff period?

Time spent on LWOP-Layoff, up to a maximum of 12 months, is considered state service. If an employee was placed on LWOP-Layoff by another agency, then recalled or preferentially hired into a salaried state job while on LWOP-Layoff, the time that she spent on LWOP-Layoff is not considered a break in service. However, this is different than if the employee retired, resigned, declined recall (that did not require relocation or a lower salary), or was terminated under the Standards of Conduct while on LWOP-Layoff. If the employee retired, resigned, declined recall (that did not require relocation or a lower salary) or was terminated under the Standards of

Conduct while on LWOP-Layoff, the time between that event and the rehire is considered a break in service. In that case, the last continuous state service would be based on the date the employee was rehired. Please refer to DHRM <u>Policy 1.30 - Layoff</u>.

#### **Leave**

### 20. When can an employee affected by Layoff be paid for her annual leave balance, and how much can be received?

An affected employee may elect to be paid (based on the ending rate of pay) for unused, accrued annual leave when she is 1) placed on LWOP-Layoff status, 2) upon retirement in lieu of LWOP-Layoff, or 3) at the end of the LWOP-Layoff status. The employee must document this decision on the Final Notice of Layoff when it is presented. Emergency requests for leave payments will be considered on a case-by-case basis if the employee elected to have the leave balances held until the end of LWOP-Layoff but needs to be paid for them before then.

The amount of accrued annual leave for which an employee can be paid is based on the maximum allowed based on the employee's total years of salaried state service.

Years of Service	Pay Period Accrual Rate	Maximum Payment
under 5 years	4 hours	192 hours (24 days)
5-9 years	5 hours	240 hours (30 days)
10-14 years	6 hours	288 hours (36 days)
15-19 years	7 hours	288 hours (36 days)
20-24 years	8 hours	336 hours (42 days)
25 years or more	9 hours	336 hours (42 days)

<sup>\*\*</sup> Annual leave incentives may be paid out not to exceed the maximum payout based on the employee's years of service when combined with accrued annual leave balances.

# 21. Can an employee who participates in the Virginia Sickness and Disability Program (VSDP) be paid for his ending sick leave and family/personal leave balances?

A VSDP-participating employee cannot be paid for any remaining VSDP sick leave and family/personal leave balances. Those balances are lost when the LWOP-Layoff period ends, unless the employee returns to classified state service before then.

### 22. What happens to a VSDP-participating employee's unused disability credits if he is laid off?

Disability credits can only be paid at the end of the LWOP-Layoff period, unless the employee resigns or retires before the LWOP-Layoff ends. Disability credits cannot be left in an account beyond the end of the LWOP-Layoff period.

Disability credits will be paid in accordance with the <u>VSDP Policy</u> guidelines which permit payment for up to 25% of unused disability credits up to a \$5,000 maximum, provided that the employee had five years of consecutive salaried state service at the time of separation. As an alternative to payment, disability credits can be converted to VRS service credit. It takes 173 disability credits to purchase each month of service; however, if the employee has less than 173 disability credits at the time of separation, the remaining disability credits may be converted to a single month of service.

#### 23. Can an employee's Traditional Sick Leave balance be converted to VRS service credit?

VDOT classified employees who participate in the Traditional Sick Leave program may purchase VRS service credit at actuarial equivalent cost using payment received for accumulated unused sick leave if they retire immediately after separating from VDOT.

### 24. Can employees who participate in the Traditional Sick Leave program be paid for accrued sick leave balance?

Whether an employee, who participates in the Traditional Sick Leave program, can be paid for her traditional sick leave balance depends on whether the employee has <u>five or more years</u> of *continuous* salaried state service when she separates from state service and requests payment. The period of LWOP-Layoff (up to 12 months) counts toward the five years of service required to be eligible to receive payment. If the employee has five or more years of continuous salaried service when she separates and requests payment of the sick leave balance, the employee is eligible to receive payment for 25% of the unused sick leave balances up to a maximum payment amount of \$5,000.

If the employee is eligible for payment of the Traditional Sick Leave balance and chooses to retain the sick leave balance during LWOP-Layoff, the accrued balance will be restored or transferred if the employee accepts another classified state position during the period of LWOP-Layoff.

If the eligible employee does not accept another salaried state position during LWOP-Layoff, payment for the unused sick leave balance (25% up to \$5,000) will be made at the expiration of the layoff period, retirement, or resignation, whichever occurs first.

# 25. What happens if an employee elects to be paid for his Traditional Sick Leave balance when he is placed on LWOP-Layoff, and he returns to state service before the period of LWOP-Layoff ends?

If an employee, who participated in the Traditional Sick Leave program, returns to another classified state position within 180 calendar days of receipt of the payment, he can return to the traditional sick leave program if he purchases the paid-out sick leave balance. An employee can purchase the paid out sick leave balance by returning the full payment amount of the leave payout to the agency that made the payment (i.e., VDOT).

### 26. What other leave types will be paid out?

Compensatory, Overtime, and Employee Recognition leave balances will be paid based on the ending pay rate.

# 27. Is there a maximum carryover for leave when plugging that number in the Severance Calculator? Will the maximum leave payout apply or will it be waived in this situation?

There is a maximum amount of annual leave that can be carried over upon separation from state service, regardless of the reason for the separation. Being laid off does not change this limit. The specific limits can be found in <a href="DHRM Policy 4.10 - Annual Leave">DHRM Policy 4.10 - Annual Leave</a>. The severance calculator is programmed to comply with the maximum carryover amounts defined by policy.

#### 28. Is there a way to plug in "banked" sick leave into the Severance Calculator?

Sick leave balances, disability credits, and sick leave converted previously to retirement credit (when first enrolled in VSDP) do not count toward continuous state service for purposes of calculating severance benefits. However, the Severance Calculator will calculate the amount of leave payment the employee would be eligible for upon separation from state service.

Employees who converted accumulated sick leave to disability credits during the VSDP conversion can include that time in the severance calculator to determine the amount of the pay they would receive for those credits. The disability credit category is listed under the section titled "Employee Leave Balances" towards the bottom of the options listed in the severance calculator.

Please note that during the time of LWOP-Layoff, the eligible employee's Disability Credit Balance will be administered in accordance to <a href="DHRM Policy 1.30">DHRM Policy 1.30</a> – Layoff (an eligible employee's Disability Credit balance must be held while the employee is on LWOP –Layoff).

Employees who remained in the Traditional Sick Leave program can enter the number of available sick leave hours reflected in their current leave record in the category listed as "Sick Leave" in the severance calculator. No traditional sick leave is accrued while an employee is in LWOP - Layoff status.

### 29. If I receive a layoff notification, what options do I have for using accumulated leave balances?

Employees affected by layoff may use accumulated vacation, family/personal, sick, and employee recognition leave according to established rules and with supervisory approval.

# 30. Can employees donate leave to other employees who are identified for layoff because their positions are ending?

No. The rules regarding sharing leave are defined in <u>DHRM Policy 4.35</u>, <u>Leave Sharing</u>. Donating leave to employees because their positions are ending or because they are being placed on LWOP-Layoff is not an option.

# 31. If an employee has 17 years of continuous state service and converts his/her severance benefits to VRS retirement age/service credit for an enhanced retirement benefit, does that cause her leave payout maximum to increase?

No. The annual leave maximum payout limit is based on accumulated state service, not VRS creditable service. Just as prior military service, purchased for VRS credit, is not counted in determining annual leave accrual/carryover/payout, neither is additional age/service credit received from converting severance benefits counted.

Incidentally, any additional age/service retirement credit an employee receives by converting severance benefits <u>does</u> count toward creditable service in determining eligibility for the retiree health insurance credit.

#### **Military Leave**

## 32. What happens if an employee is called to active military duty while on LWOP-Layoff status?

Employees on LWOP-Layoff status are considered to be on leave from state service. An employee, who is called to active military duty during layoff, will be placed on *Military* Leave Without Pay. Once on Military Leave Without Pay the employee retains layoff benefits until released from active military duty. At that point, the employee returns to LWOP-Layoff status and continues so for the remaining period of layoff for which he was eligible prior to going on Military Leave Without Pay. Employees called to active military duty during their layoff notice period or LWOP-Layoff must contact the Human Resources Division, Statewide Services, at 804-371-6797 or www.co\_hr\_sws@vdot.virginia.gov so that their leave status can be updated in the agency's records.

## 33. If an affected employee goes on active military duty after receiving an initial notice of layoff, what happens if a placement opportunity becomes available?

The employee's status on the day his position ends determines this. If the affected employee is on MLWOP when the position ends (e.g., on April 24<sup>th</sup>), he will be treated under the provisions of the Layoff Policy after discharge from active duty. Placement offers will be determined based on placements available at the time that the employee returns to work.

#### **Pre-Layoff Leave**

#### 34. Will the Department offer Pre-Layoff Leave to affected employees?

Yes. This leave type will be available for affected employees to utilize for the purpose of seeking employment. Up to eighty work hours (80) per employee is available for use. More information about this benefit can be found on the Pre-Layoff Leave *Quick Tips* that will be provided to affected employees in the initial notice package. This leave must be scheduled and approved by the supervisor in advance. The leave request process is the same as all other paid leave usage, and it will be tracked in FMS II.

#### 35. To whom does pre-layoff leave apply?

Pre-layoff leave is paid leave available to employees who have been notified they are affected by layoff. Affected employees may be eligible to receive up to eighty (80) hour of pre-layoff leave, prior to the effective date of layoff. Pre-layoff leave can be used by affected employees to seek employment in other state agencies or with other employers. Affected employees will be informed when they become eligible for the pre-layoff leave. After that they must request permission to use the leave by using the current leave request process in their respective departments. The leave time may be granted in a block or intermittently, at the agency's discretion. Please see <a href="DHRM Policy 1.30 - Layoff">DHRM Policy 1.30 - Layoff</a> for the effects on leave accruals and service credit.

# 36. Can affected employees use Pre-Layoff Leave to consult with staff at the Virginia Retirement System (VRS) about retirement benefits?

No. Pre-Layoff leave can only be used to seek employment. For example, it can be used to meet with Virginia Employment Commission representatives regarding job searches, to apply for jobs, to attend job fairs, to participate in interviews, and to consult with career counselors.

Employees who prefer to visit the VRS main office to speak with retirement counselors will need to do that on their time off or submit requests for available annual, family/personal, compensatory, or overtime leave. Employees also can call VRS to speak with a representative. The toll-free number is 1-888-827-3847. A brief phone conversation about benefits would not normally require submission of a leave request.

37. Do employees have to submit leave requests to attend the scheduled VRS informational sessions offered within VDOT?

No, but participating employees do need to get approval from their supervisor to be away from their work to attend.

38. Can an affected employee use pre-layoff leave for job training?

No. It is for job search activities only.

#### **Severance Benefits**

39. If an affected employee resigns from VDOT before the layoff date (e.g., April 24, 2010) in order to take a position in the private sector, will the employee still receive severance benefits?

No. Severance benefits are only given to employees who proceed to LWOP-Layoff or retire in lieu of layoff.

40. If an employee accepts a job in the private sector while they are on LWOP-Layoff, do severance benefits end?

No. Severance benefits would not end because a laid-off employee took a job with a private employer.

41. If an employee is given an initial notice of layoff and leaves the agency for a position in the private sector before the layoff effective date, is there any way the employee could still get severance benefits?

No. Someone who voluntarily separates before his/her position end date (i.e., LWOP-Layoff effective date) is not eligible for severance benefits. Severance benefits are only available for employees who are placed on LWOP-Layoff or who retire immediately following the end of their positions, in lieu of layoff.

42. If an employee, who is receiving severance pay, accepts a job with a *local* government (i.e., city or county) that is covered by the Virginia Retirement System, would the severance benefits end?

Severance payments, health benefits, and life insurance would not end because someone takes a VRS-covered position with a local government. However, if the employee converted the severance benefits to VRS credit and retired when she was laid off, the employee would change from being a retiree to an active VRS member upon return to a VRS-covered position. In that case any additional service/age credit (i.e., enhanced retirement credit) received in lieu of severance payment at the time of separation from VDOT would be lost. The enhanced retirement benefit would not apply to any future retirements.

43. If an employee was receiving temporary pay immediately prior to being placed on LWOP-Layoff, would the severance be based on base pay *and* the temporary pay combined?

No. Severance is based on an employee's base pay. When estimating how much severance an employee would be entitled, the base pay amount is the figure to be input into the severance calculator.

44. Is severance pay reported to VRS as income?

Severance pay is not reported to VRS as income, and retirement service credit is not received while on LWOP-Layoff, with one exception. Employees receiving VSDP benefits and severance payments will receive retirement service credit for the period of time on LWOP-Layoff. Retirement contributions continue for employees on short-term disability receiving severance payments.

45. Can an accurate enhanced retirement annuity be calculated using myVRS for Employees? For example: The severance benefits calculator on the DHRM Website indicates that an employee is eligible for 7 years of additional age/service credit toward Enhanced Retirement, in lieu of severance payments. If the employee takes that 7 years and adds it to his years of purchased service in the VRS calculator, will that correctly calculate the enhanced retirement monthly benefit?

Using *my*VRS for Employees, a rough estimate of the enhanced retirement annuity can be calculated, but it might not be exact. The reason is because VRS applies the extra credit an employee receives (by converting the value of severance benefits) to the employee's age or service, or a combination that results in the highest benefit. Local Human Resources Offices have access to *my*VRS for Employees, which applies the credit to the greatest advantage to the employee.

46. If an affected employee is eligible for severance benefits, and is eligible to retire, does she have to convert the severance benefits to retirement age/service credit? Can she take severance pay, instead?

Employees who are eligible for severance benefits and who are also eligible for retirement, may elect either severance pay *or* to have the value of their severance benefits converted to retirement age/service credit. They are not obligated to have their severance benefits converted to retirement age/service credit.

47. Is the option to convert severance benefits to retirement age/service credit only available for employees whose positions are being eliminated? Can an employee get additional VRS age/service credit if they are approved to substitute for an affected employee whose position is being eliminated?

The state's Severance Benefits policy is based on the Workforce Transition Act (WTA). The Severance Benefits policy defines conditions under which employees are eligible to receive benefits and convert the value of those benefits to additional retirement age/service credit. Severance benefits are available to employees who are directly affected by layoff (provided they do not decline a placement that does not require relocation or reduction in salary after requesting placement consideration), and to those who are approved as a substitute for someone who is directly affected by layoff.

There are no voluntary separation incentives. Employees who retire voluntarily, not associated with layoffs/substitution, are not eligible for severance benefits or to convert the value of severance benefits to additional retirement age/service credit.

48. If an eligible employee elects to convert the value of the severance benefits to retirement age/service credit, can they elect to defer their retirement effective date?

No. To be eligible to receive the additional retirement age/service credit instead of severance pay, the retirement effective date must be the first of the month following the date of separation.

#### **VRS-Service Credit**

49. Can an employee purchase prior service credit? If so, will the severance and enhanced benefits options still be available to those that purchase service credits?

A VRS member may purchase service credit for prior service that is not credited to a member's VRS account. It may be service the member lost by taking a refund, or the member may have been on active duty military service, educational leave, or leave for birth or adoption of a child. The member also may have accumulated service credit with another public retirement system. Some members are eligible to purchase all or part of certain prior service periods. The Code of Virginia governs the types of service members may purchase.

To make a purchase, the member must be an <u>active member</u> in VRS and have the prior service qualified by VRS as eligible for purchase. Being an active member means the member's employer is currently making contributions to VRS on his behalf. The employee must not already be receiving a benefit for that service and the service must be certified by the agency that employed him at the time.

Severance benefits are calculated based on the last period of continuous state service. Purchase of prior service is separate from severance benefits, and it does not impact the value of severance benefits that can be converted to additional age/service credit for retirement. Both purchased prior service and converted severance benefits affect the amount of monthly annuity a member may receive upon retirement, but one does not influence the other.

Individual questions regarding application of purchased service credits should be directed to VRS for clarification.

# 50. If an employee has already purchased prior service credit (for example, for time worked in another state government) does that count towards total years of service?

Prior service purchased through VRS is creditable service, used in the calculation in retirement annuity benefits. Employees can verify the amount of creditable service they have by accessing *my*VRS.

An employee's retirement service credit is not necessarily the same as his "state service" for determining annual leave accrual/carryover/payout and seniority. Annual leave accrual/carryover/payout is based on <u>accumulated</u> salaried state service. Seniority, for the purpose of determining who is affected for layoff and the order of placement options is based on the period of <u>last continuous</u>, unbroken, salaried service with the Commonwealth of Virginia.

Employees who have concerns about the information in *my*VRS for Employees about their creditable service should contact VRS directly. Employees who have questions about their leave credit or seniority should contact their local Human Resources Office.

#### **Retirement**

## 51. Where can an employee go to verify the creditable service she has with the Virginia Retirement System (VRS)?

That information is in the "Purchase of Prior Service" tab on *my*VRS for Employees. *my*VRS for Employees is on the VRS website at <a href="https://www.varetire.org">www.varetire.org</a>.

### **52.** Can an employee use *my*VRS for Employees to verify contributions made into the member account?

Total member contributions and interest are in *my*VRS for Employees, under the "Service and Contributions" tab. It does not, however, detail every contribution made to the member's account. This information can be obtained by pulling up all of the creditable compensation upon which contributions were made, including the period before state agencies started making contributions on the members' behalf in the early 1980's. This information is in the "Compensation History" tab on *my*VRS for Employees. The rate of contribution was 5% of each month of creditable compensation.

For a detailed accounting of all contributions made to a member account, contact the Virginia Retirement System.

# 53. Once an employee has submitted a retirement application for a particular payout option can the employee select a different payout option?

Yes, it is possible to make a change *before* retirement benefits begin. The member must submit another "Member Certification" of the VRS-5 changing the option. VRS recommends that

employees submit any changes at least 30 days in advance of the planned retirement date. Contact VRS directly for more assistance.

#### 54. Must an employee be at least 50 years old to receive retirement benefits?

Yes. The earliest a VDOT employee can retire under VRS is when they reach the age of 50 and have at least 10 years of service, or at least age 55 with 5 years of service. The earliest full retirement (unreduced benefit) is at age 50 with 30 years of service or age 65 with 5 years of service.

To be eligible to convert severance benefits to additional retirement age/service credit, the employee must be at least age 50 and have five years of service credit, before the severance benefits are converted to credit. After the severance is converted to credit, the employee must be at least 50 with 10 years of service or 55 with 5 years of service to be eligible to retire.

Employees who are not yet age 50 when they are laid off are not yet eligible to retire under VRS. They are only eligible for severance pay and the health/life insurance benefits that go with severance pay. Please see *Quick Tips – Severance Benefits*.

#### **VRS Refunds**

# 55. If an employee elects severance payments, can she withdraw her VRS member retirement account contributions when she goes on LWOP-Layoff?

An employee can withdraw the accumulated contributions in the member retirement account when placed on LWOP-Layoff, but if she does she will be considered as having resigned from VDOT. All of the employee's remaining layoff and severance benefits would stop, and she would be removed from the agency's active employee records as a resignation. Be sure to carefully read the "Policy Guide – Withdrawing Retirement Account and Layoff" before deciding to withdraw funds in the VRS member account.

## 56. If an employee is not vested with VRS (i.e., 5 years creditable service) when laid off, can the contributions made to the member's VRS account be withdrawn?

An employee can apply for a refund of VRS contributions as soon as he separates from state service, even if it not vested. However, an employee who is placed on LWOP-Layoff is not considered "separated" from the agency. The employee would be separated at the end of the 12-month period of LWOP-Layoff, if he was not recalled, rehired to another agency, or resigned before then.

If an employee wants a refund from VRS member contribution account earlier than the end of the LWOP-Layoff period, a written resignation must be submitted to the Human Resources Division. Important note: If an employee resigns employment prior to the end of the LWOP-Layoff period, all remaining severance benefits will be forfeited, including severance pay, health benefits, and life insurance.

#### **Deferred Compensation**

# 57. Can an employee withdraw money out of 457 Deferred Compensation Plan during the time she is receiving severance benefits?

Yes, as long as the employee has not moved to employment with another employer that offers the plans. The participant must have had one full calendar month during which she received no reportable creditable compensation (excluding severance) before processing of the distribution of the funds to the employee begins.

# 58. If an employee is laid off, is there a penalty for withdrawals from the Deferred Compensation Plan?

There is no 10% early withdrawal penalty for distributions from the 457 Plan regardless of the participant's age at the time of the distribution.

There is generally a 10% penalty for distributions prior to age 59½ from the Cash Match Plan unless the participant was older than 55 at the time he terminated employment, took equal distributions over his life expectancy, or rolled the monies to an eligible employer plan or a traditional IRA.

Both Deferred Compensation and Cash Match are subject to state and federal income tax on the amount distributed.

There is no difference if an employee terminates employment (voluntarily or through layoff) versus retiring. There is no penalty if the participant left employment due to a disability.

For both, there is mandatory tax withholding (20% federal and 4% state) on amounts that could otherwise be rolled over.

### 59. What happens to an employee's deferred compensation account when the employee is laid off?

An employee, who is placed on Leave Without Pay-Layoff, can request distribution from her 457 and 401A accounts as long as she have not become employed by another organization that offers the plans. To withdraw funds the employee must have one full calendar month during which she received no reportable, creditable compensation (excluding severance). Then the distribution of funds can begin.

Employees can access the forms needed on-line. To log on go to <a href="www.varetire.org">www.varetire.org</a>. Select the Defined Contributions Plans tab. From the drop down menu, select Account Log-in. Or select one of the Plans and log in from the home page. Employees can also call 1-VRS-DC-PLAN1 (1-877-327-5261) for assistance.

An employee should contact a Deferred Compensation representative through the website or phone number above if she wants to leave your balances in her accounts.

#### **Life Insurance**

#### 60. What happens to my group life insurance benefits when an employee is laid off?

If an employee elects severance payments, life insurance benefits will continue while the employee is on LWOP-Layoff. After that the employee has an opportunity to convert the group life insurance to a private plan. Details about this opportunity will be provided to the employee in the final notice package of information.

If an employee takes enhanced retirement (in lieu of severance benefits) and retires in lieu of layoff, the employee's life insurance benefits would be the same as other retirees. If covered under the Basic Group Life Insurance Program when the employee retires, a portion of the coverage will continue into retirement at no cost to the employee. Benefits include:

- Death benefit equal to twice the employee's annual base compensation at retirement. If the employee retires with 20 or more years of service credit, the death benefit is equal to twice the employee's highest annual compensation as a covered employee, even if the final salary is lower.
- Accelerated death benefit option.

The provisions that allow for double the natural death benefit for accidental death and for accidental dismemberment end upon retirement.

Life insurance coverage begins to reduce by 25 percent beginning the January 1 following one calendar year of retirement. It continues to reduce by 25 percent each January 1 until it reaches 25 percent of its original value.

#### **Health Benefits**

#### 61. How does an employee make Health Benefits Premium payments after separation?

The Final Notice of Layoff in a separating employee's package explains what the employee's portion of the premium payment amount would be if eligible for severance payments and they are elected. Employees must confirm their severance election and leave payment elections on their Final Notice of Layoff.

An employee who elects severance payments will have the employee's portion of the health benefits premium deducted from any severance payments received. When severance payments end, the employee is responsible for sending the employee's portion of the monthly health benefits premium to the Human Resources Division-Statewide Services, until LWOP-Layoff ends. Checks must be made payable to the "Treasurer, Commonwealth of Virginia".

Details about health benefits premiums specific to each employee's situation will be mailed to the employee when severance payments are due to end.

Employees, who elect enhanced retirement and elect retiree health benefits through the state, will have the employee's portion of health benefits premium payments deducted from the monthly retirement annuity.

# 62. What happens to Flexible Reimbursement Accounts-FRA's (i.e., Medical Expense Reimbursement Accounts or Dependent Care Reimbursement Accounts) when an employee is laid off?

Employees who elect severance *payments* will have their FRA elections deducted from their severance checks. Employees can submit a request for reimbursement of eligible expenses in accordance with plan guidelines. Remember, though, that employees can only be reimbursed for dependent care expenses if they have money in their FRA to cover the reimbursements. Medical reimbursements can be made up to the annual election amount, even if an employee has not contributed that much to the account by that time the reimbursement is requested.

# 63. After severance benefits end and the state stops paying its portion of a laid off employee's health benefits premium, what options does a former employee have for extended health insurance coverage?

At the end of the 12-month period of health care coverage (i.e., part of severance benefits) when the agency continued its contribution, the agency must offer an 18-month period of extended coverage to all covered persons (referred to as COBRA coverage). Participants cancelled for non-payment or declining recall to another position (that did not require relocation or a lower salary than the final salary) are also to be offered extended coverage for an 18-month period at the end of the last full month in which the employee portion of the premium was paid.

## 64. When will separating employees receive information about extended health care coverage available under COBRA?

Employees separating because of layoff will receive information about extended health coverage under COBRA soon after they leave. This includes those who elect to retire.

Affected employees and their covered dependents become eligible for extended health benefits under COBRA when the benefits available from the state end. If the employee elects severance payments, the active-employee health benefits continue until the end of the employee's LWOP-Layoff.

#### **Placement within VDOT**

65. If an affected employee indicates that he does not want placement, how long must the employee wait to apply for another position with the Commonwealth of Virginia?

There is no limit in terms of when the individual on LWOP – Layoff can apply for state positions; however, severance payments will cease if the employee returns to any agency or institution of the Commonwealth through:

- Re-employment into a salaried position
- Hourly employment
- Contractual agreement as an independent contractor consultant.

Employees should review the Layoff and Severance Policies carefully to determine the impact of re-employment on other Severance Benefits and Layoff rights.

66. If an employee identified for layoff is offered placement to a position outside of her normal work location, what are the defined parameters used to determine if the offer would be considered as requiring relocation (i.e., mileage, time, base location, etc.)?

The definition that will be used by the agency, for the purposes of layoff and severance eligibility, in determining whether or not relocation is required will be the distance of the employee's current commute to work or 50 miles, which ever is greater. In other words, if the employee will have to travel 50 miles or more from home to get to the new position, the new position will be considered as requiring relocation, unless the employee already commutes more than 50 miles to work one-way. In that case, the distance of the current commute, e.g., 60 miles, is the boundary for determining whether the new position would require relocation.

67. How will distance be calculated for determining whether a placement would require relocation?

The Agency will use standard tools, such as Mapquest.com, for calculating the distance between the affected employee's home and the worksite where the placement opportunity is assigned. In situations where that tool does not contain specific road information to support an appropriate calculation, an alternate mileage calculator will be used (for example, goolglemaps).

68. Will the Agency provide relocation assistance to an employee who accepts a placement that is more than 50 miles away from her current home or the distance of the current commute, whichever is greater?

Employees may choose to relocate their residences in order to accept a placement option within VDOT. The agency will not, however, provide any moving or relocation reimbursement to employees who relocate in order to take a placement.

69. If an employee possesses the Knowledge, Skills and Abilities (KSA's) for a placement that is in a higher pay band (i.e., vacancy or substitution opportunity), is that a valid placement option? If not, will that position be filled through the competitive process?

Movement from a position in one pay band to another position in a higher pay band is a promotion. There will not be any promotions as a result of substitution. Placement to vacancies and substitution matches will be made to positions in the same or lower pay band. The affected employee who receives approval as a match for a substitution candidate will assume the responsibilities of the substitute's position immediately after the substitute vacates the position on the effective layoff date. Please see *Quick Tips – Substitution*.

There may be other opportunities to fill vacant positions in accordance with DHRM Policy 1.30 - Layoff. Vacancies can be filled after the agency has determined that no employees to be affected by layoff (recall or placement) are eligible for or interested in the positions. Those positions will be filled through the competitive process.

70. In making decisions regarding minimal qualifications, will VDOT be using the Leadership Competency Models? If so, how will this information be captured? Will employees be notified regarding positions for which they qualify?

A Central Placement Team will determine which placements are available for affected employees who desire to remain employed within VDOT. An affected employee's qualification for placement will be made based on a comparison of their knowledge, skills, and abilities against the minimum requirements of the placement(s) that are available. Job requirements are reflected on Employee Work Profiles (EWP's), Agency Leadership Models, and Recruitment Management System (RMS) templates, to name a few.

Affected employees will be offered the opportunity to update information about their training, education, and experience when they are notified they are affected, as well as their preferences for placement. More information about that process will be shared with those who are affected.

Employees for whom placements are identified will be notified and will have the opportunity to review and consider options before making a decision. If an affected employee, who desires continued employment in VDOT, is offered but declines a placement to a position that does not require relocation or reduction in salary, no other placements will be offered; and the employee will lose all layoff and severance benefits.

#### 71. Who will make the decision regarding the definition of a "work unit"?

The decision regarding definition of work units will be made by the Blueprint Implementation Teams. Leaders from across the agency will participate in this process. This process will be completed before the affected positions are determined.

Notably, "work unit" is only one of several factors in the layoff sequence that determines who will be affected. Other factors include the position type (wage or classified/salaried), whether the position's funding is restricted, geographic area, state Role title, and work performed.

## 72. Will the end of the pay period be used as the separation date for layoffs? If not, what will be used?

Position end dates for employees affected in Stage 3 will be the end of a pay period, April 24, 2010. This includes affected employees who do not seek placement, those who are placed into a vacant position or a substitute's position, and those who sought placement but placement was not available.

# 73. When notified of layoff, if an employee chooses not to request placement, does the employee receive severance benefits?

Yes. Employees will be given the opportunity to decide, soon after they are told they are affected, whether they want the agency to seek placement options for them within VDOT or to proceed to layoff. Employees who elect not to pursue placement within the agency will receive formal initial notice of layoff, followed by formal final notice at least two weeks later. They will be eligible for all layoff and severance benefits, except recall.

If an employee elects placement, then turns down a placement that does not require relocation or reduction in salary, they forfeit all remaining layoff and severance benefits.

# 74. Did employees affected in Stages 2 have more placement options than those in Stage 3 of the Blueprint implementation?

VDOT developed a strategy to manage the organizational changes based on business need, and the changes that affect people are occurring in stages. There is no way to predict the placement options for employees affected in the various stages. A great deal depends on the types of positions affected, vacancies that might occur between now and then, and the timing and level of interest of employees who might wish to substitute for affected employees.

# 75. If a more desirable position becomes vacant after an employee accepts a placement, can she be considered for placement to that position?

Once someone accepts a placement or declines one that does not require relocation or reduction in salary, the placement process for that person ends. She will not be considered for any other noncompetitive placements, unless eligible for recall because the placement accepted was a demotion or required a reduction in salary.

Outside of the placement process employees can compete for advertised job opportunities available in other agencies during the layoff notice period and after accepting a placement. Employees can also apply for any available positions in VDOT that might be advertised in the

future. The process for being considered for advertised jobs is the standard procedure for applying for jobs listed in the Recruitment Management System (RMS).

#### 76. What happens if an employee, who seeks placement, declines a placement offer?

If the placement requires relocation or reduction in salary, the employee could decline the offer and remain on the placement list, and be considered for other valid vacancies and substitution candidates' jobs until the effective date of layoff, April 24, 2010.

Affected employees who decline a placement that does not require relocation or reduction in salary forfeit their rights to be considered for any other placements. They will be separated effective April 24, 2010, without any remaining severance benefits or any other layoff benefits.

#### 77. How many placement options will an affected employee be offered?

There is no guarantee that a placement will be available for every affected employee. If a placement is identified for an affected employee, and the placement would not require her to relocate or take a reduction in salary, she will be given the opportunity to accept or decline that offer. If the employee declines it, she will not be offered any more placements, and she will forfeit any remaining layoff and severance benefits. The employee will be treated as a voluntary separation effective April 24, 2010.

If an affected employee is offered a placement that would require relocation or reduction in salary, she can decline the offer and will not lose any remaining layoff or severance benefits. In that case efforts will be made to find another placement opportunity before the layoff is scheduled to become effective. If no others are available, she would be eligible for severance benefits and other layoff benefits such as preferential hiring during the Leave Without Pay-Layoff period, recall, and access to the Re-Op Pool.

# 78. What happens if all the placements for which an employee, who seeks placement, is minimally qualified are offered to and accepted by other affected employees who are more senior?

In that case the agency will continue to search for valid vacancies and substitution possibilities up until the effective date of layoff. If there are no placements available for which an affected employee is minimally qualified by the position end date, he will be eligible for Severance Benefits according to Department of Human Resources Management Policy #1.57; and he will be eligible for preferential hiring, recall, and Re-Op pool, according to Layoff Policy #1.30. More information about these benefits will be provided to affected employees in their initial notice packages.

# 79. Can an affected employee "bump" a less-senior employee who is in a position that is not affected?

The layoff policy does not allow "bumping" of employees over each other. An affected employee can only be offered a placement to a valid vacancy or position filled by someone who has expressed interest in substituting. An affected employee cannot displace another employee who is not affected, and who has not expressed interest in substituting, even if the affected employee has more seniority than the other person.

# 80. If an affected employee cannot be placed in a vacant VDOT position or if there is no substitution match for her, will the agency assist her in finding other employment?

Yes. While we hope that continued VDOT employment will be possible for all affected employees who desire it, there is a possibility that individuals may need assistance finding other job opportunities. Workshops to assist affected employees with resume preparation and other career placement advice are available and the local Human Resources Offices will continue to offer assistance throughout the process. Additionally, if requested, HR will provide employees with selected documents from their personnel files, to include copies of the most recent performance reviews and current training records, to support job search efforts.

# 81. If an affected employee is on leave and a placement offer needs to be made, what efforts will be made to contact the employee?

VDOT will make every reasonable effort to contact affected employees requesting placement. Since the placement process is likely to continue from March into April, it is recommended that affected employees, who seek placement, leave contact numbers and e-mail addresses with their supervisors and local HR Offices if they anticipate they must be away from the office during that timeframe.

# 82. If an affected employee accepts placement to a Transportation Operator II job, will the employee need to have a Commercial Driver's License (CDL) at the time of placement or will she be afforded time after taking the job to obtain it?

In many districts, VDOT hires individuals into the Role of Transportation Operator II with the condition established at employment that the CDL must be obtained within 6 months of hire. Similarly, an affected employee, who accepts placement into a Transportation Operator II job and who is otherwise qualified to perform the work, will be required to obtain a CDL within 6 months after the placement is effective. If the employee is unable to acquire the licensure required for the job, she could be subject to termination of employment for inability to meet the working conditions of her job.

#### **Substitution**

#### 83. How does substitution work?

Non-affected employees, who are interested in substituting for an employee affected by layoff, are required to submit a request into the Transition Tool. A central placement team will review all substitution requests, along with valid vacancies, to determine potential placement matches.

In order to qualify for placement into a vacancy or into a substitution's position, an affected employee must meet the minimum qualifications for the potential placement. If a match is made to a substitution candidate's position, the substitute will receive notice of layoff and the affected employee will assume the substitute's position the day after the substitute separates (i.e., on April 25, 2010).

Substitutes cannot select which individuals for whom they want to substitute. Placements are determined based on the qualifications of the affected employee and factors in how closely each potential placement matches the affected staff's current job, commuting distance, and placement preferences.

## 84. Are substitution candidates required to submit a resignation letter in order to be considered as a substitute?

No, substitution candidates do not have to submit a letter of resignation in order to be a considered as a substitute, but those who submit Substitute Request Forms may not withdraw their requests after the revocation deadline published for that stage. After the revocation deadline for each stage, Substitute Request Forms are final, and if matched with an affected employee, the substitute will be laid off April 24, 2010. Those, who submit Substitute Request Forms but who are not approved to substitute, may withdraw their Substitute Request Forms after April 24, 2010.

#### 85. When will substitution candidates be notified if they are approved to be substitutes?

We do not anticipate placement offers being confirmed for affected employees before early- to late-March 2010. Substitution candidates who are matched to affected employees and are approved to substitute will be notified after the affected employees accept the placement offers.

# 86. Can someone who is on short-term disability apply to be a substitute for an employee who has been identified for layoff?

Yes. Being on short-term disability does <u>not</u> disqualify someone from being considered as a substitute.

# 87. If someone withdraws an application to be a substitute during an open period, can she reapply in a later stage?

Yes, as long as the new Substitute Request Form is submitted before the published deadline for the open period occurs.

### 88. Will an employee's manager be notified when the employee submits a request to be considered as a substitute?

No. Managers will be notified only of recommended matches between affected employees and substitution candidates when the placement process gets underway.

#### **Transition Tool**

#### 89. Can an employee access *Inside VDOT* and the Transition Tool from home?

Yes, if she has VPN access through a VDOT computer or has VPN access from home. Employees should contact their supervisors if they have questions about whether their positions require VPN access. Those with VPN access should contact the Helpdesk at 1-866-637-8482 for questions regarding VPN connection.

# 90. When an employee accesses the Transition Tool to submit an Affected Employee Placement Interest Form or a Substitute Request Form, is this considered hours worked?

Affected employees may use work time to submit their placement preference forms and to prepare and submit state applications for placement. Others, who would like to substitute for those affected, may also use work time to submit Substitute Request Forms. Employees will not be compensated for working on these documents after normal working hours, even those who are non-exempt.

#### **Wage Positions**

#### 91. Have all wage positions been eliminated?

No. Approximately 450 wage positions were eliminated in Stage 1. District / Central Office leaders have the opportunity to submit justification for continuing or re-establishing service-critical wage positions. Some, like emergency snow duty jobs, will be filled to ensure that safety and service levels are met.

#### **Retraining and Developmental Opportunities**

#### 92. When can employees find out about available training opportunities and alternatives?

Information about training opportunities is available from local Human Resources Offices for everyone who is interested in improving their skills.

Employees are encouraged to log into Recruitment Management System (RMS) to view a current list of advertised vacancies within VDOT and other state agencies.

The Blueprint for Our Future link on Inside VDOT (<a href="http://insidevdot/C6/Blueprint%20for%20Our%20Future/default.aspx">http://insidevdot/C6/Blueprint%20for%20Our%20Future/default.aspx</a>) has a special page for People Transitions: <a href="http://www.virginiadot.org/jobs/transition.asp">http://www.virginiadot.org/jobs/transition.asp</a>. This is a central location for the latest information about policies and options available to those impacted by the agency's reorganization and restructuring.

# 93. Can employees perform job search and resume writing activities while at work and with VDOT equipment?

Affected employees may use a reasonable amount of work time to complete their state applications and Affected Employee Placement Preference Forms; however, job search and resume writing activities are activities which should generally be performed outside of work. All affected employees may use Pre-Layoff Leave for job search-related activities until the end of the revocation period to submit placement preferences. After that time, only affected employees requesting placement may use Pre-Layoff Leave, and that can only be used up until they date they accept a placement.

#### **Learning Partnerships**

# 94. What will happen to an approved Learning Partnership Program (LPP) tuition assistance request if the employee receives notice of layoff?

VDOT will honor the <u>approved</u> LPP tuition request of an employee who is notified of layoff, as long as the LPP request is signed and approved prior to the date of the initial layoff notice.

The employee still will be required to submit a copy of the final grade (for either prepayment or reimbursement), and provide proof of payment (only for reimbursement), to the LPP Coordinator after the course is completed.

A completed application for tuition assistance must be submitted at least two weeks prior to the class start date for the course to be considered for tuition assistance. Applications will not be approved for funding more than four weeks in advance of the class start date.

A LPP tuition request received after an employee is notified of layoff will not be approved for funding.

# 95. What will happen to the tenure agreement, for an employee who has an approved LPP tuition request and who has been given initial notice of layoff?

Any written agreements an affected employee has with VDOT will remain in effect if the employee is placed within VDOT in a vacant or substitute's position in lieu of layoff.

If an affected employee requests placement within VDOT in lieu of layoff, but then refuses placement to a position that does not require relocation or reduction in salary, the separation will be treated as a voluntary separation, and any written agreements the employee has with VDOT will be enforced.

If the employee is placed on LWOP-Layoff, the employee's responsibilities for repayment under a written agreement will be <u>waived</u> upon the layoff effective date. Employees who are

approved to substitute for an employee who would otherwise be laid off will also receive a waiver for repayment of a LPP obligation upon the layoff date.

If the employee is confirmed to be directly impacted by layoff as a result of an organizational reorganization or closing of a facility per approval of the Commissioner (but has not yet separated), and the employees receives and accepts an employment offer from another state agency, VDOT will waive one-half the tuition assistance that remains on the employment tenure agreement, including associated expenses as appropriate, provided the employee signs an agreement to pay back the other half owed to the agency. The same repayment options currently available through the Learning Partnership Program apply.

#### Notes:

Exceptions to the normal Learning Partnership payback policy end December 31, 2010, unless otherwise extended or renewed.

LPP Coordinators will notify, via e-mail, their local Human Resource Manager or designee of tuition requests as they are received.

#### Recall and Re-Op Pool

#### 96. What is the difference between Recall and the Re-Op Pool?

Recall is the noncompetitive placement of an employee into a position in the agency for whom the employee worked before being placed on LWOP-Layoff. Recalled employees may only be placed in the same pre-layoff Role (i.e., official state role title). An employee becomes entitled to recall when she is placed on LWOP-Layoff; accepts an internal placement option with a reduced salary; or is demoted within the agency as a placement in lieu of layoff.

The Re-Op Pool is voluntary program whereby employees on LWOP-Layoff may have their work credentials entered into a centralized data base (administered by the Department of Human Resources Management) which can be used by Executive Branch agencies to recruit for vacancies before they advertise or list positions in RMS. Re-Op consideration may be given for positions that are in the same or lower Pay Band as that held by the employee when placed on leave without pay-layoff.

#### 97. Who receives Recall rights and how do they work?

Recall is intended to restore an employee to a position in his or her own agency and to the Role and salary held at layoff. Recall rights are extended to affected employees who requested placement but did not receive it and were laid off. Recall rights are also provided to affected employees who accepted a placement option with a reduced salary or who accepted a demotion in lieu of layoff.

Employees are recalled to positions in order of seniority. If more than one employee has recall rights to a position, the position will be awarded to the most senior, minimally qualified employee. Recall rights are <u>not</u> given to affected employees who elected not to seek placement.

### 98. When do recall rights cease?

Recall rights are in effect for 12 consecutive months from the effective date of layoff, for those eligible. Recall rights cease if an employee:

- Is employed in a position that is in the same or higher pay band as the former position and the employee's salary meets or exceeds the pre-layoff salary
- Resigns
- Is terminated under the Standards of Conduct
- Retires.

# 99. If an affected employee is offered a placement opportunity that requires a demotion to a position in a lower pay band but does not require a cut in pay, will the employee forfeit layoff and severance rights if she declines it?

Yes. Declining a placement that does not require relocation or a reduction in pay will result in the employee being voluntarily separated, without any Severance Benefits or remaining Layoff benefits.

#### **Unemployment Compensation**

# 100. Do employees placed on LWOP-Layoff have to apply for unemployment compensation right away?

No. That is a personal choice. Some might want to delay applying for unemployment compensation because they do not want to search for another job right away. Others might prefer to apply the week after their positions end so that they can get as much unemployment compensation as they are entitled to receive, as soon as possible. Remember that unemployment compensation is based on previous quarters of earnings; so, those who apply later might see a reduced benefit because severance pay is not considered "earnings" upon which unemployment compensation is based.

# 101. If an employee receives layoff notification, how much unemployment compensation is the employee eligible to receive?

Eligibility for unemployment compensation depends on many factors. That includes whether the employee takes another job after leaving VDOT; whether the employee retires and receives a VRS or Social Security annuity; how much retirement income is being received; and whether the employee actively searches for other employment following the involuntary separation.

Decisions regarding eligibility for unemployment compensation are made by the Virginia Employment Commission. Involuntarily separating employees (including approved substitutes and those who elect retirement) will be given information about unemployment compensation rules when they separate. Interested employees are encouraged to consult with VEC representatives for more information.

#### 102. If an employee retires upon layoff, is he eligible for unemployment compensation?

Unemployment compensation could be offset by other income being received, such as a retirement annuity. A retiree who actively seeks other employment after layoff is encouraged to file a claim with the VEC, who will determine eligibility for benefits.

# 103. Will VDOT be mass-filing claims for unemployment compensation benefits with the Virginia Employment Commission (VEC) at the end of Stage 3, as was done for Stage 2?

There are currently no plans to mass-file unemployment compensation claims for employees affected in Stage 3. Employees who wish to receive unemployment compensation following layoff must file a claim with the VEC. Once the claim is filed, the VEC will send the employee a letter explaining what needs to be done to receive benefits. It will include a PIN number that the employee can use to submit weekly claims for benefits online, and they will be sent a debit card. The account will not be activated unless the employee submits a request for benefits according to the instructions in the letter that VEC will send to the employee's home address. No funds will be credited to the debit card until an employee submits claims for benefits, including proof of job search, in compliance with VEC instructions. Online claims filing is encouraged because it does not require waiting in lines, and it saves energy on trips to VEC offices.

An employee has no obligation to file a claim for unemployment compensation benefits if the benefits are not sought.

# 104. Is unemployment compensation reduced because of severance pay a laid-off employee is receiving or leave balance payouts?

No. Severance benefits and leave balance payouts for Commonwealth of Virginia employees, who are laid off, are assigned to the date of separation. So, they do not impact how much unemployment compensation an employee is eligible to receive.

#### 105. Are severance payments offset by unemployment compensation received?

The Code of Virginia directs agencies to offset severance payments by any unemployment compensation received during that time. Then, after the severance payment period ends, the amount that was offset is to be paid back to the employee in a lump sum. VDOT has researched how to fulfill this requirement, but no solution has been found.

The Commonwealth of Virginia is a "reimbursable employer". This means that the agency reimburses the VEC for its portion of unemployment compensation paid to former VDOT employees. The VEC is not set up to provide information about weekly payment amounts to VDOT so that severance benefits can be offset. Presently, state agencies receive quarterly bills that indicate how much unemployment compensation was paid to each eligible person for whom the agency has responsibility. By the time those quarterly bills are received by VDOT, severance payments for that time period will have already been made.

VDOT is working with VEC to determine if VDOT can be provided weekly reports of unemployment compensation paid to affected employees. If that information is received, it will be used to offset severance payments. Otherwise, severance payments cannot be offset by unemployment compensation received.

#### Resources

#### 106. Where can employees find answers to questions that are not covered in this handout?

Employees are encouraged to raise questions to their managers or contact Human Resources directly. In addition "Frequently Asked Questions" documents will be provided in layoff notice and substitute approval packages, pertaining directly to the circumstances at that time.

#### 107. Who can employees talk with if help is needed?

Affected employees will be provided a list of resources in the initial and final notice packages. They include contacts in Human Resources and Civil Rights.

Please feel free to contact your manager or your local Human Resources Office directly if there are other questions.

#### 108. Where can more information about layoff, severance and retirement options be found?

QuickTips documents pertaining to Layoff, Severance, Substitution and Substitution Rules, and Pre-Layoff Leave are available to answer basic questions about these benefits. Other sources of information include the specific DHRM policies related to Layoff (1.30) and Severance Benefits (1.57), which offer more detailed information. Employees can find copies of the QuickTips documents on the portal, or they can be provided by local managers by accessing the Inside VDOT website: <a href="http://insidevdot/C6/Blueprint%20for%20Our%20Future/default.aspx">http://insidevdot/C6/Blueprint%20for%20Our%20Future/default.aspx</a>

#### 109. How can ideas be shared with the Commissioner?

Please share ideas on how VDOT can save money and position itself for the future by either leaving a voicemail on the Employee Hotline at 804-225-3712 or by emailing <a href="mailto:blueprintinput@vdot.virginia.gov">blueprintinput@vdot.virginia.gov</a>. The name and location of employees who share ideas are not identified.